

14 April 1971

MEMORANDUM FOR THE RECORD

SUBJECT: Contents of Safe Burglarized at the National
Credit Union Administration

1. For some years an Agency safe has been located at the National Credit Union Administration offices for use in storing material dealing with the Northwest Federal Credit Union. By agreement with officials at NCUA, special procedures were developed for the handling and the storing of classified information.

2. We do not recall ever having taken an inventory of the classified information stored in the safe but the material would be in the nature of reports and findings of NCUA examiners who conduct annual examinations of the Credit Union. Further, NCUA's requirements result in the transmittal of financial statements as well as reports prepared as a result of audits of the Credit Union by the Agency's Audit Staff.

3. When the Agency learned of the burglary at NCUA, Mr. [REDACTED] General Manager and Mr. [REDACTED] of the Office of Security arranged to pick up the material which had been stored in the safe at NCUA. At the request of the Assistant Deputy Director for Support, Mr. [REDACTED] and I examined the contents of this material on 5 April 1971:

a. The greater part of the material consisted of examiner reports and findings of audit examinations of the Credit Union. This included worksheets and copies of the final report. Some of these documents were classified secret.

b. During the course of an annual examination, the assigned examiner will occasionally conduct a sample study of delinquent accounts. We noticed some listings which showed names of Agency employees and the extent of their delinquency.

c. A memorandum of understanding among the Northwest Federal Credit Union, CFA and the then Bureau of Federal Credit Unions which made a matter of record certain understandings concerning Credit Union procedures and collection efforts. This document is classified secret and a copy is attached.

d. The material included old and current financial statements prepared by the Credit Union which the Credit Union is required to send to NCUA annually. These financial statements are classified secret because they contain the number of member accounts; this number of accounts is reasonably close to the Agency's strength.

e. The original Charter 5603, issued in December 1947.

f. General correspondence dating back to 1947.

4. The total volume of the material was estimated at two linear feet of letter size documentation.

5. Unfortunately, the material has been returned to NCUA, under escort, so that a more precise description of this material can not now be made. If needed, we could go to the NCUA and request a detailed inventory.

6. We have no basis for believing that any material is missing, but without the benefit of a detailed inventory taken some time in the past, we cannot be sure.

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Assistant Manager